

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

December 13, 2004
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Noble, and Councilmembers Balducci, Chelminiak, Davidson, Degginger, and Lee

ABSENT: None.

1. Executive Session

Deputy Mayor Noble opened the meeting at 6:01 p.m. and announced recess to Executive Session for approximately 45 minutes to discuss one item of labor negotiations.

The meeting resumed at 7:00 p.m. with Mayor Marshall presiding. She noted Item 2(c) has been rescheduled to a future meeting.

2. Study Session

(a) Overlake Hospital Medical Center and Group Health Cooperative Expansion Plans

City Manager Steve Sarkozy welcomed Mike Hubbard (Capstone Partners), Project Manager, to provide an update regarding Overlake Hospital Medical Center and Group Health Cooperative expansion plans.

Mr. Hubbard explained that hospitals have a low profit margin, and an aging population will continue to intensify the pressure on the hospital system. Both Overlake Hospital Medical Center and Group Health Cooperative are nonprofit and not taxpayer supported. He noted Overlake's emphasis on in-patient facilities and Group Health's emphasis on out-patient facilities. The expanded campus will allow each organization to continue its core focus. Overlake Hospital Medical Center will build a new \$125 million bed tower as well as a new \$80 million office building. Group Health is spending \$125 million on an out-patient facility and will sign a contract with OHMC to manage Group Health's in-patient care.

Mr. Hubbard explained that patient care demands direct connectivity between services. He reviewed a map of the expanded campus showing the layout for integrated patient care. Much of the infrastructure already exists today, which restricts the ability to build the new facilities with optimal connectivity. A four-party agreement between OHMC, Group Health, the City, and the Washington State Department of Transportation was established to facilitate the project. The parties identified the need to extend and redesign NE 10th Street, and multiple alternatives were reviewed.

Mr. Hubbard reviewed the preferred design for the expanded campus. The project will generate 1,000 jobs and more than \$2 million in sales tax revenue. The extension of NE 10th Street is consistent with the Downtown Implementation Plan. The campus design will allow I-405 to expand in the future and provides the potential for freeway ramps in two different locations.

Mr. Hubbard described what is needed to finalize the plan:

- Land Use Code applications regarding necessary changes in setbacks and height limitations.
- Land transaction (Taste of Tokyo and the land under NE 10th Street) finalized.
- Construction of NE 10th Street extension by the time the expanded campus opens near the end of 2007.

Mr. Hubbard commended City staff including Mr. Sarkozy, Planning and Community Development Director Matt Terry, Land Use Director Carol Helland, and Transportation Assistant Director Kris Liljeblad for their roles in facilitating this project.

Mayor Marshall thanked Mr. Hubbard for the update and the project team for their hard work and cooperation.

- (b) Draft Environmental Impact Statement (EIS) for NE 10th Street Extension and Overlake Hospital Master Plan and Freeway Access Alternatives

Transportation Director Goran Sparrman opened discussion regarding public comments on the draft Environmental Impact Statement (EIS), findings of the I-405 alternatives analysis, and an updated transportation analysis. The draft EIS was released on November 4, and a public open house was held on November 18. Expected outcomes of the EIS are as follows:

- Environmental disclosure to support permit approvals for the hospital campus components and Phase 1 of the NE 10th Street extension.
- Environmental analysis to support adoption of needed Comprehensive Plan and Land Use Code amendments. The final EIS is scheduled for February 2005. Council action is scheduled for March 2005.
- Information to help shape WSDOT's decisions regarding ramp locations and configuration (NE 10th Street, NE 12th Street, or both).

Kris Liljeblad, Assistant Director, said 97 comments were received:

- A petition of 79 signatures from Pacific Regent Condominiums.
- 15 letters from Bellevue residents.
- Letter from Overlake Hospital Medical Center and Group Health Cooperative.
- Letter from Services Employees International Union.
- A letter from a Yarrow Point resident.
- One anonymous letter.

He summarized public comments on the draft EIS as follows:

- Concern regarding increased traffic volumes on NE 10th Street and impacts (noise, traffic congestion) on Ashwood neighborhood.
- Impacts of added access to freeway.
- Construction impacts on other businesses.
- Hospital construction impacts on water quality.
- Impacts/delays for emergency vehicles.
- Aesthetic impacts to Overlake area (e.g., loss of mature trees and greenery).
- Need for air quality mitigation after roadway and hospital construction.
- Need for bike facilities on NE 10th Street extension.
- Pedestrian needs.
- Displacement of Ramada Inn.
- Draft EIS timing relative to completion of draft Land Use Code amendment, future medical offices building, and WSDOT analysis of ramp alternatives.
- Intersection capacity analysis.
- Concern regarding cumulative impact of this and other projects.
- Construction impacts (noise, vibration, dust).
- The need to coordinate roadway construction with hospital campus construction.
- Operational noise and vibration, light and glare impacts along NE 10th Street.

Mr. Liljeblad reviewed two alternatives for NE 10th Street, to be completed by 2007: 1) initial (partial) NE 10th Street segment, and 2) full NE 10th Street extension across I-405.

Mr. Liljeblad moved to the programmatic analysis of ramps to be completed by 2030, which seeks to preserve options for future freeway expansion. WSDOT will have final authority regarding ramp locations. Alternative 1 represents the partial extension of NE 10th Street with added ramp access to I-405 from downtown but not from the hospital campus. Alternative 2 extends NE 10th Street across I-405 and includes ramps to and from SR 520. Alternative 3 maintains the full extension of NE 10th Street across I-405 but adds ramps to and from SR 520 at NE 12th Street to the north. Alternative 4 includes the full extension of NE 10th Street as well as separate sets of ramps at both NE 10th and NE 12th Streets.

Denise Cieri, WSDOT, introduced Ron Ohlsen, Project Engineer, and noted the challenge of designing a feasible alternative and ramp configuration.

Using graphics, Mr. Ohlsen provided a geometric summary of the four I-405 ramp alternatives. Mr. Liljeblad reviewed a series of graphics demonstrating projected traffic impacts during the evening peak period for each of the alternatives.

Mr. Sparrman noted the estimated costs of Phase 1A (\$6.88 million), Phase 1B (\$3.17 million), Phase 2 (\$3.78 million), and Phase 3 (\$40 million). He outlined the following next steps:

- Final EIS – February 2005.
- Land use decision process and Council action – March 2005.
- Overlake Hospital Medical Center and Group Health Cooperative design and construction.
- Project-level environmental review for ramp locations.
- WSDOT decision on ramp locations.
- Funding and implementation for NE 10th Street extension.

Responding to Mayor Marshall, Mr. Sparrman said the addition of freeway ramps will provide an inherent advantage to emergency vehicles, including ambulances. Mayor Marshall expressed concern about the alternative without freeway ramps, which is likely to encourage the rerouting of general traffic through the hospital corridor and thereby interfere with hospital and emergency traffic.

Responding to Ms. Balducci, Mr. Sparrman said a conclusion regarding the best alternative has not yet been reached. However, alternatives 1 and 4 appear to not be feasible at this time. WSDOT's review is currently focused on alternatives 2 and 3.

(c) Automatic External Defibrillator Device Demonstration

[Rescheduled to future meeting.]

At 7:58 p.m., Mayor Marshall declared recess to the Regular Session.

Myrna L. Basich
City Clerk

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